

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6296

BILL NUMBER: HB 1135

DATE PREPARED: Nov 16, 2001

BILL AMENDED:

SUBJECT: Minimum Standards for CCDF Voucher Funding.

FISCAL ANALYST: Michael Molnar

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FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill adds minimum eligibility standards for child care providers participating in the federal Child Care and Development Fund (CCDF) voucher reimbursement program. The bill provides for administrative review of an action taken under the law concerning eligibility for CCDF voucher reimbursement. The bill also allows a voucher agent to have access to certain child abuse registry information. (The introduced version of this bill was prepared by the Board for the Coordination of Child Care Regulation.)

Effective Date: July 1, 2002.

Explanation of State Expenditures: This bill is expected to have minimal fiscal impact on the Family and Social Services Administration (FSSA). FSSA currently has an appeals process in place for licensed child care homes that have had their license suspended, revoked, or denied due to non-compliance with established guidelines. The current appeals rate for these homes is 0.33%, or 13 out of 4,000 licensed child care homes.

This bill affects 22,000 additional child care facilities. These licensed-exempt providers must currently comply with the established eight minimum standards to participate in the CCDF voucher program. The addition of four standards to this list may increase the incidence rate of CCDF voucher denials. Staff estimate that these additional requirements will add an estimated 72 appeals annually (at an estimated cost of \$400 per appeal - \$28,000 total). If the number of additional appeals does not substantially exceed this forecast, then the agency should be able to absorb any additional costs. However, if the number of appeals increases beyond these expectations, then the agency will incur costs at a rate of \$400 per appeal.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration.

Local Agencies Affected:

Information Sources: Amy Brown, Legislative Liaison for FSSA, (317) 232-4451.